

Introduced by Senator Romero

February 22, 2008

An act to amend Section 7137 of, and to add Sections 7058.1 and 7058.2 to, the Business and Professions Code, relating to contractors, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1698, as introduced, Romero. Contractors: public works.

Existing law, the Contractors' State License Law, provides for the licensure and regulation of contractors by the Contractors' State License Board. Existing law authorizes the board to set application, licensure, and renewal fees, among others, not to exceed certain limits, and provides for the deposit of those fees in the Contractors' License Fund, a continuously appropriated fund. Existing law requires contractors to obtain special certifications in order to perform asbestos-related work or to engage in hazardous substance removal or remedial action, as specified.

This bill would, on and after an unspecified date, prohibit a contractor from performing work as a contractor or subcontractor on a public work, as defined, unless he or she has obtained a public works certification from the board. The bill would require the qualifier for a license to pass a public works certification examination in order to obtain that certification. The bill would require the board to develop the examination and would specify the subjects that the examination must cover. The bill would authorize the board to deny or revoke a certification if the contractor fails or has failed to comply with the laws or regulations applicable to public works or commits or has committed other specified acts. The bill would authorize the board to charge each

applicant a fee in an amount sufficient to pay for the costs of administering the examination, not to exceed an unspecified amount.

Because the bill would increase the amount of moneys to be deposited in a continuously appropriated fund, the bill would make an appropriation.

Vote: majority. Appropriation: yes. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 7058.1 is added to the Business and
2 Professions Code, to read:

3 7058.1. (a) On and after _____, a contractor shall not perform
4 work as a contractor or subcontractor on a public work unless the
5 contractor has obtained a public works certification from the board.
6 To obtain a public works certification, the qualifier for the license
7 shall pass a public works certification examination developed
8 pursuant to Section 7058.2 and administered by the board.
9 Additional updated examinations may be required based on
10 material changes in the legal obligations of public works
11 contractors.

12 (b) The board shall charge each applicant for a public works
13 certification a fee to take the examination specified in subdivision
14 (a) in an amount sufficient to pay for the costs of administering
15 that examination, as specified in Section 7137.

16 (c) The board shall make information on contractors certified
17 pursuant to this section publicly available.

18 (d) This section shall not be construed to affect the requirements
19 imposed by subdivision (b) of Section 7059.

20 (e) This section shall not be construed to restrict the state or its
21 political subdivisions, or any other awarding authority, from
22 imposing additional requirements on contractors in awarding public
23 works contracts.

24 (f) The board may deny or revoke a public works certification
25 if the contractor fails or has failed to comply with the laws or
26 regulations applicable to public works or if the contractor commits
27 or has committed any of the acts constituting grounds for denial
28 of a license under Section 480. Procedures upon denial of a public
29 works certification shall be conducted in accordance with Section
30 485. Procedures for revocation of a public works certification shall

1 be conducted in accordance with Chapter 5 (commencing with
2 Section 11500) of Part 1 of Division 3 of Title 2 of the Government
3 Code.

4 (g) For purposes of this section, “public work” means any work
5 that is subject to the requirements of Chapter 1 (commencing with
6 Section 1720) of Part 7 of Division 2 of the Labor Code.

7 SEC. 2. Section 7058.2 is added to the Business and Professions
8 Code, to read:

9 7058.2. (a) On or before____, the board shall develop a written
10 examination for the certification of contractors engaged in public
11 work pursuant to Section 7058.1. The examination shall be
12 developed according to professionally accepted principles for
13 licensing examinations and with the assistance of subject matter
14 experts provided by the Department of Industrial Relations, subject
15 matter experts selected from state agencies and political
16 subdivisions that award public work contracts, selected labor
17 organization representatives, and selected licensed contractors
18 engaged in public work. The examination shall cover the laws and
19 regulations applicable to public works, including, but not limited
20 to, all of the following:

21 (1) The requirements of Article 2 (commencing with Section
22 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code.

23 (2) The requirements of Section 4104 of the Public Contract
24 Code.

25 (3) The requirements of the State Contract Act (Chapter 1
26 (commencing with Section 10100) of Part 2 of Division 2 of the
27 Public Contract Code).

28 (b) For purposes of this section, “public work” means any work
29 that is subject to the requirements of Chapter 1 (commencing with
30 Section 1720) of Part 7 of Division 2 of the Labor Code.

31 SEC. 3. Section 7137 of the Business and Professions Code is
32 amended to read:

33 7137. The board shall set fees by regulation. These fees shall
34 not exceed the following schedule:

35 (a) The application fee for an original license in a single
36 classification shall not be more than three hundred dollars (\$300).

37 The application fee for each additional classification applied for
38 in connection with an original license shall not be more than
39 seventy-five dollars (\$75).

1 The application fee for each additional classification pursuant
2 to Section 7059 shall not be more than seventy-five dollars (\$75).

3 The application fee to replace a responsible managing officer or
4 employee pursuant to Section 7068.2 shall not be more than
5 seventy-five dollars (\$75).

6 (b) The fee for rescheduling an examination for an applicant
7 who has applied for an original license, additional classification,
8 a change of responsible managing officer or responsible managing
9 employee, or for an asbestos certification or hazardous substance
10 removal certification, shall not be more than sixty dollars (\$60).

11 (c) The fee for scheduling or rescheduling an examination for
12 a licensee who is required to take the examination as a condition
13 of probation shall not be more than sixty dollars (\$60).

14 (d) The initial license fee for an active or inactive license shall
15 not be more than one hundred eighty dollars (\$180).

16 (e) The renewal fee for an active license shall not be more than
17 three hundred sixty dollars (\$360).

18 The renewal fee for an inactive license shall not be more than
19 one hundred eighty dollars (\$180).

20 (f) The delinquency fee is an amount equal to 50 percent of the
21 renewal fee, if the license is renewed after its expiration.

22 (g) The registration fee for a home improvement salesperson
23 shall not be more than seventy-five dollars (\$75).

24 (h) The renewal fee for a home improvement salesperson
25 registration shall not be more than seventy-five dollars (\$75).

26 (i) The application fee for an asbestos certification examination
27 shall not be more than seventy-five dollars (\$75).

28 (j) The application fee for a hazardous substance removal or
29 remedial action certification examination shall not be more than
30 seventy-five dollars (\$75).

31 (k) *The application fee for a public works certification*
32 *examination shall not be more than ____ dollars (\$____).*